

Before the  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Complaint of the City and  
County of San Francisco

Docket No. C2011-2

PUBLIC REPRESENTATIVE'S SECOND REPORT CONCERNING  
POTENTIAL FOR SETTLEMENT

(September 29, 2011)

I. INTRODUCTION AND BACKGROUND

On August 16, 2011, the Postal Regulatory Commission (Commission) issued an Order Addressing Compliant and Authorizing Settlement Negotiations (Order No. 808). This order, in part, directed the City and County of San Francisco (Complainant) and the United States Postal Service (Postal Service) to engage in settlement negotiations. It also directed the Public Representative, acting as settlement coordinator, to file a report with the Commission within 30 days of the filing of the order concerning the progress towards settlement.

On September 15, 2011, the Public Representative filed a report with the Commission concerning the potential for a negotiated settlement of the issues in this docket.<sup>1</sup> The Public Representative provided a brief update to the related District Court action, and discussed the potential for settlement of the complaint filed with the Commission. Because settlement negotiations were ongoing and a potentially viable settlement offer was currently under consideration, the Public Representative suggested that additional time be given to the parties to evaluate the latest offer. The Commission

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<sup>1</sup> Public Representative's Report Concerning Potential for Settlement, September 15, 2011.

granted an extension of time and directed the Public Representative to file a second status report on September 29, 2011.<sup>2</sup>

## II. POTENTIAL FOR SETTLEMENT

Both parties have earnestly engaged in settlement discussions with a variety of offers and counter offers presented for consideration. However, at this time, a negotiated settlement has not been reached.

Although the parties continue to consider various offers, the Public Representative is not optimistic that providing additional time will result in a negotiated settlement in the near future. The Public Representative's impression is that the offers have been reasonable, but unfortunately do not appear to simultaneously fulfill the requirements of both parties. The Public Representative suggests that the Commission encourage both parties to continue negotiations with the goal of reaching a settlement while the Commission considers the merits of the complaint.

## III. CONCLUSION

The Public Representative respectfully submits this report for the Commission's consideration.

Respectfully submitted,

James Waclawski  
Public Representative

901 New York Ave. NW, Ste. 200  
Washington, DC 20268-0001  
202-789-6826, FAX 202-789-6861  
[james.waclawski@prc.gov](mailto:james.waclawski@prc.gov)

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<sup>2</sup> Order Granting Extension of Time, September 16, 2011.